Annual Report 2001-02

Department of Health & Community Services

105-05452/

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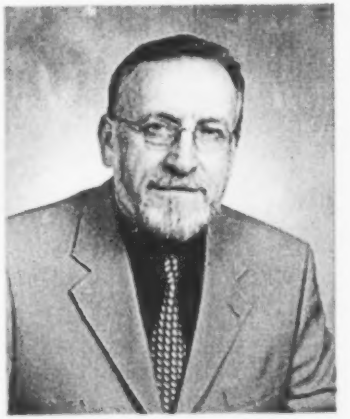


It is my pleasure to present the 2001-02 Annual Report for the Department of Health and Community Services. There were many significant achievements this year, but perhaps the biggest accomplishment was *Health Forums 2001*, a consultation process that brought together over 500 stakeholders in the health and community services system. The goal of *Health Forums 2001* was to generate consensus around principles that will guide decision-making in the future; a goal that was accomplished. The feedback generated from the consultations will also guide the development of a strategic health plan for Newfoundland and Labrador which will be developed and released in 2002.

Government does not work alone in providing health and community services to the people of this province. As the Minister of Health and Community Services, I extend a sincere thank you to all health services providers in this province for their dedication and commitment in 2001-2002. Health care is the top priority of the Government of Newfoundland and Labrador. We will continue working with our partners in the health and community services system to ensure that the programs and services available in this province, meet the needs of the people of Newfoundland and Labrador.

Gerald Smith, MHA
District of Port au Port
Minister of Health and Community Services

Vision: For all Newfoundlanders and Labradorians to enjoy the best possible health and well-being.

Mission: To provide quality health and community services to improve the health and well-being of individuals, families, and communities.

Values: self-reliance, collaboration, social justice, equity, and fairness

The Department of Health and Community Services plays a leadership role in health and community services program and policy development for Newfoundland and Labrador. This involves working in partnership with a number of key stakeholders including health boards, community organizations, professional associations, post-secondary educational institutions, unions, consumers and other provincial and federal government departments.

Health is

... a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity.
(World Health Organization)

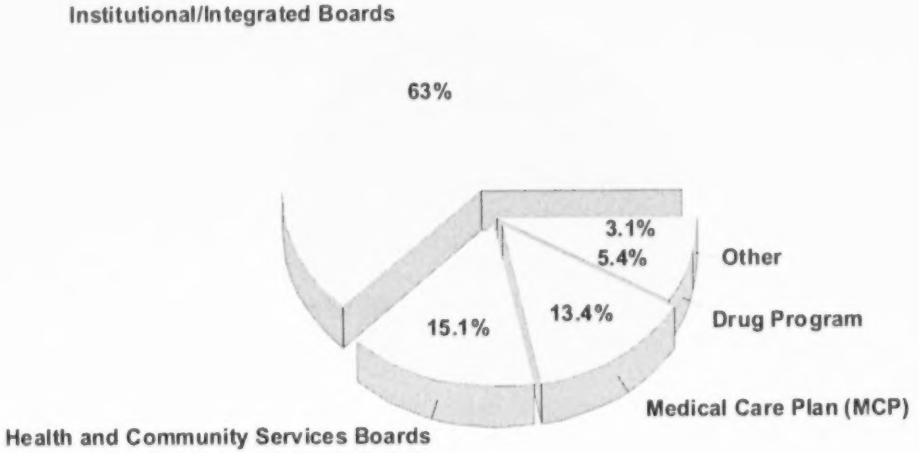
The Department is responsible for the following lines of business:

1. Policy and Program Development - leading the development, planning, research and evaluation of provincial policies and programs to ensure that services are integrated and decisions are evidence-based.

2. Support to Boards and Agencies - providing direction and support to agencies and regional boards to deliver a continuum of programs and services within available resources.

3. Departmental Support Services - maintaining organizational structures, functions and resources to fulfill the Department's mission.

There are 273 staff positions in the Department, 236 based in St. John's and 37 based in Grand Falls-Windsor, that help carry out the mission. Departmental staff are organized into five branches: medical services, board services, policy and program planning, government and agency relations, and support services. In comparison, there are approximately 20,000 people employed by the health and community services system overall, which includes employees of the health boards.



Total Expenditures - $1.5 Billion

In Newfoundland and Labrador, 45 cents of every program dollar is spent on health and community services.

There are:

- 1,696 acute care beds
- 2,800 long term care beds
- 16 hospitals
- 18 health centres
- 21 nursing homes
- 3 community clinics
- 13 nursing stations
- 106 community/clinical offices in 91 communities

In 2000-01 there were:

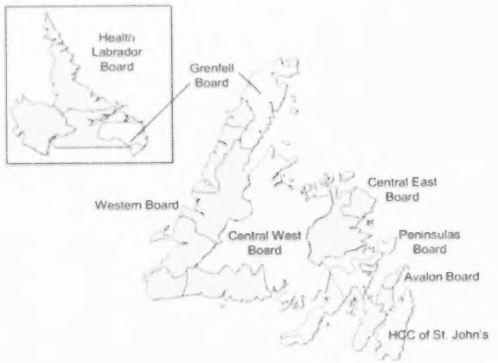
- 65,236 hospital stays
- 412,600 emergency visits
- 24,600 outpatient operating room visits

The Department of Health and Community Services is only one player in providing health services to the people of the province. The fulfilment of the Department's mission relies on the collaboration of a number of partners including the health boards, community-based agencies and groups, academic groups, other provincial government departments and municipal, provincial and federal governments.

Publicly-provided health services in Newfoundland and Labrador are delivered by 14 health boards. Of these, eight are institutional, meaning they primarily oversee those services provided by hospitals and nursing homes, four are community-based, and two are integrated boards delivering both institutional and community services. The Newfoundland Cancer Treatment and Research Foundation and the St. John's Nursing Home Board are considered among the eight institutional boards.

Institutional Boards

The institutional boards deliver hospital services to the general public and long-term residential services to persons 65 years and older and persons suffering from chronic debilitating conditions.



Health Labrador Board
Grenfell Board
Health & Community Services - Central
Health & Community Services - Western
Health & Community Services - Eastern
Health & Community Services - St. John's

Health & Community Services Boards

The health and community services boards deliver community-based programs and services related to health promotion, disease prevention, child, youth, and family services, community corrections, family and rehabilitative services, addictions, mental health, and continuing care.

Health Labrador Corporation and Grenfell Regional Health Services Board are integrated governance structures that oversee institutional and community-based services in northern Newfoundland and Labrador.

Departmental staff provide support, direction, and advice to boards in their governance and delivery of services. Staff work with boards to provide consultation, standard setting, policy direction, resource allocation, monitoring, and evaluation. In addition to support for boards, the Department also shares some direct lines of responsibility with other health and community services such as ambulance services, medical transportation, prescription drug subsidies, group homes, family resource centres, and physician compensation.

The Department recognizes that volunteers are a key component in the health and community services system. People throughout the province serve in volunteer capacities at all levels in the system, including as members of the Boards of Directors for the health boards. All board members serve as volunteers and are appointed by the Minister of Health and Community Services.

In addition to working with the health boards, the Department also works with a number of other provincial government departments on a variety of initiatives in areas such as public health, and child and youth issues. The Department continues to develop interdepartmental and community links, promoting the holistic approach of the Strategic Social Plan. Ongoing collaboration in the areas of social and economic policy and planning, and harmonizing programs and services continues across departments; a key example of which is the Strategic Social Plan's Social Audit.

Recognizing that the other Atlantic provinces are working in many of the same areas as our province, the Department is involved in numerous cooperative initiatives with the provincial health departments in the Atlantic region. In 2001-02, the Department was involved in collaborative efforts in pharmaceuticals, primary health care, and information technology, and this work will continue in the coming year.

In September 2001, the province hosted the federal-provincial-territorial Health Minister's meeting. During that meeting, provincial and territorial health ministers reaffirmed their commitment to work collaboratively towards sustainable health systems and discussed elements of sustainability of Canada's health systems, including the potential of collaborative models, more effective utilization, pharmaceutical management and health human resource issues.

Providing health and community services to the people of Newfoundland and Labrador is indeed a collaborative effort with many partners. In the coming year, the Department will continue to strengthen these partnerships, and to work together for the province's health care.

Key Achievements and Priorities

There were many significant activities and initiatives carried out in 2001-02 which represented the main priority areas for the Department. The key achievements are grouped according to the three areas for which the Department is accountable, and under which most strategic issues fall: policy, programs, and services; supports to the health and community services system; and the overall sustainability and accountability of the system.

Policies, Programs, and Services

The Department provides direction and support to health boards and agencies to deliver a continuum of programs and services within available resources. The Department places high priority on health promotion, disease prevention and protection, and early intervention strategies, in balance with the need to provide treatment, rehabilitative and support services. The focus on prevention and early intervention using a population health approach is demonstrated through a number of departmental activities.

Children and Youth - The Department of Health and Community Services, in partnership with the Departments of Human Resources and Employment, and Education, announced the first year of a $36.6 million five-year Early Childhood Development Initiative in June 2001. Newfoundland & Labrador's Early Childhood Development Initiative, *Stepping into the Future*, was designed specifically to help children reach their potential and help families support their children within strong communities. The funding focuses on four key areas: healthy pregnancy, birth and infancy; parenting and family supports; early childhood development, learning and care; and community supports. Locations for six new family resource programs were identified in 2001-02 including Nain, Labrador West, Port Saunders, Baie Verte, Springdale, and Placentia. Funding for five existing programs was also enhanced. The Family Resource Centres are community-based and provide a variety of programs for young children and families such as Healthy Baby Clubs, parenting workshops, and literacy programs. The *Child and Youth Advocate Act*, passed by the legislature but not proclaimed into force until later in 2002, established a Child and Youth Advocate who will focus on programs and services which have an impact on children and youth under 19, as well as reviewing inquiries and complaints.

Children and Youth

- there are 15 family resource centres across the Province with many satellite sites
- there are 1000 full-time subsidized child-care spaces in the Province
- 77 per cent of babies born in this Province in 2000 were of healthy birth weight
  (Life Birth Notification System, Statistics Canada)
- 55 per cent of mothers initiated breastfeeding in 2001
  (Provincial Neonatal Screening)

Public Health Initiatives - The departments of Health and Community Services and Forest Resources and Agrifoods participated in the second year of a coordinated surveillance effort to monitor the presence of the West Nile Virus in the province. The Department was pleased to be part of this precautionary measure, and to report that there were no signs of the disease in those animals studied in Newfoundland and Labrador. This was also the second year of a new whooping cough immunization program for adolescents. Newfoundland and Labrador was the first province to offer this program in Canada. The Department of Health and Community Services is one of four departments involved in Government's Clean and Safe Drinking Water initiative. Government announced its plan of action to ensure the continued protection and safety of public water supplies, and will spend $50 million over the next three years to address water quality issues. In 2001-02 the Department of Health and Community Services used part of this $50 million fund to provide $522,000 under the initiative to the Newfoundland Public Health Laboratories, to update bacteriological water testing and set up new bacteriological testing sites in the province. The Department of Government Services and Lands is responsible for the management of water sample collection throughout the province.

Immunization Trends

- 98 per cent of children are fully immunized by the time they enter school
  (Health Scope 2002)
- 45 per cent of seniors 65+ in NL reported they have received the influenza vaccine as compared to 63 per cent of Canadian seniors
  (Canadian Community Health Survey, 2000-01)

Tobacco Control Initiatives - Amendments to the *Smoke-free Environment Act* to further restrict smoking in public places and to strengthen enforcement efforts came into effect January 2002. Now there is a complete ban on smoking in restaurants and other public places frequented by children. To demonstrate that Government not only promotes anti-tobacco messages to our youth, but is also interested in hearing what they have to say, the work of the Teen Tobacco Team continued this year. In 2001-02 four continuing members were joined by seven new youth appointed from across the province. Team members speak on behalf of all young people in the province and advise the Minister of Health and Community Services on issues related to youth smoking. Newfoundlanders and Labradorians appear to be taking steps toward healthier living as the number of youth who smoke has been decreasing since the mid-1990s.

Tobacco Use Trends

- 31 percent of adults age 20+ reported daily or occasional smoking compared to 27 per cent in Canada
- 18 per cent of youth age 12 to 19 reported daily or occasional smoking compared to 19 per cent in Canada
- 28 per cent of adults age 20+ reported exposure to second-hand smoke compared to 26 per cent in Canada
- 52 per cent of youth age 12 to 19 reported exposure to second-hand smoke compared to 39 per cent of youth in Canada
  (Canadian Community Health Survey, 2000-01)

Primary Health Care - Primary health care consists of everyday services at the front line of the health and community services system including services provided by family physicians, registered nurses, nurse practitioners, social workers among others. Targeted funds over four years, starting in 2001-02, have been allocated to assist with improving the quality and coordination of these services. Work has begun to develop a primary health care framework for the province. An advisory committee to the Minister of Health and Community Services examined issues related to the delivery of primary health care by family physicians throughout Newfoundland and Labrador. The committee focussed on physician issues including integration of services, enhanced communications opportunities through electronic health records and compensation issues. In its final report, it provided direction to Government on integrating physicians into a new primary health care framework. Two other reports related to primary health care were released by the Department in 2001-02 including an evaluation of the Primary Health Care Enhancement Project and an evaluation of the implementation of the nurse practitioners' role in the province. The Primary Health Care Enhancement sites evaluated were located in Twillingate, Happy Valley-Goose Bay, and Port aux Basque.

Primary Health Care

- there were 421 family physicians in the Province as of March 2002
- 85 per cent of people in the Province reported having a regular family doctor
  (Canadian Community Health Survey, 2000-01)
- there were 34 nurse practitioners in the Province in 2001-02, most in rural NL locations
  (Association of Registered Nurses of Newfoundland and Labrador)

Long-term Care and Supportive Services - Personal care homes are an important part of the long- term care services in our Province. An additional $1.3 million was provided to personal care homes and clients in 2001-02 to increase subsidies for individuals and rates to personal care homes. The Department continues its partnership with the Clinical Epidemiology Division of Memorial University in determining the long-term care needs of the Province.

Long-term Care and Supportive Services

There are:

- 2,800 long-term care beds in the Province
- 2,000 personal care beds
- 83 personal care homes

Food and Nutrition - Government recognized the important role that nutrition plays as a cornerstone of good health by releasing for consultation a draft Provincial Food and Nutrition Policy. The policy was developed to help ensure that all residents of the Province have equitable access to an adequate and safe food supply, and a network of food and nutrition services. Over 120 provincial stakeholder groups were asked for feedback on the draft policy, along with the input of other provincial government departments.

The Department also partnered with the Coalition for School Nutrition in conducting a survey of schools regarding nutrition services. This initiative is a key example of the Department's support of the community in improving health through nutrition.

Food and Nutrition

- 30 per cent of people age 12 and older reported consuming the daily recommended intake of fruits and vegetables (5 to 10 servings) com pared to 37 per cent of Canadians
- 15 per cent of people age 12 and older in NL, similar to Canada at 14.4 per cent, reported feeling they experienced some food insecurity in the past 12 months, meaning they felt they did not have enough to eat or access to the quality or variety of food they needed due to lack of money

(Canadian Community Health Survey, 2000-01)

Accessibility to Programs and Services - Government is continually examining the need for programs and services throughout the province. During 2001-02, several programs received increased funding for expansion. Despite an increased investment of $7.2 million since 1999 to increase the number of cardiac surgeries, the demand for services continues to rise. In 2001-02 the Department committed an additional $3.1 million to increase the number of cardiac surgeries and catheterizations completed at the Health Care Corporation of St. John's. The breast screening program was also expanded in St. John's and replacement mammography equipment was funded for Carbonear and Corner Brook. In July 2001 a new community based dialysis unit was established in Clarenville. This was the first haemodialysis unit in this province to be based outside a hospital. The drug subsidy program budget increased by $9.1 million to address increased use and costs of drugs. This program covers drug costs for citizens receiving income support and eligible senior citizens.

Mammography

- 42 per cent of women age 50-69 reported having received routine screening mammography within the last two years compared to 52 per cent of Canadian women in this age group

(Canadian Community Health Survey, 2000-01)

Supportive Resources

A major focus for the Department is the provision of support services to the health and community services system.

Human Resource Planning - As part of a health and community services system human resources study, a number of reports were completed in 2001-02. This study has been very useful in detailing issues related to the workforce such as future retirement trends, health education trends,employee wellness issues, and recruitment and retention issues. Findings show increased retirements for some health professionals in the next decade including registered nurses, physicians, licensed practical nurses, psychologists and others. Absenteeism remains high for some groups with total costs in the health system estimated to be over $50 million annually. Recruitment and retention has been a greater challenge in rural and remote locations. The Department is working with health boards to address these issues. The Department also participated in a task force to examine social work workload issues.

Legislation - The Department is responsible for 43 pieces of legislation. In 2001-02, a number of these pieces were amended, along with the introduction of new Acts. Through the amendment of the *Dental Act*, allowing for the incorporation of dentists, Newfoundland and Labrador can provide an incentive for the recruitment and retention of dentists. The new *Massage Therapy Act* will ensure that only qualified, regulated massage therapists practise in the Province. The *Chiropractors Act*, the *Dieticians Act*, the *Pharmaceutical Association Act*, the *Social Workers Association Act*, and the *Registered Nurses Act* were also amended. These amendments contributed to a national effort to ensure greater ease for the portability of professionals in Canada.

Human Resources

Population per professional

	NL	Canada
dietitian	4,372	4,499
licensed practical nurse	185	423
medical laboratory technologist	1,686	1,742
medical radiation technologist	2,053	2,122
occupational therapist	3,926	3,255
pharmacist	1,046	1,259
physicians	580	534
physiotherapist	2,702	1,967
registered nurses	100	133
psychologist	2,758	2,334

There are more RNs, LPNs, MLTs, dietitians, and pharmacists per population in Newfoundland and Labrador than the national average. For example, there is one dietitian per 4,372 people in Newfoundland and Labrador versus one per 4,499 people in Canada.

(Health Personnel in Canada, CIHI 2000)

Graduate Retention

- 68 per cent of our 1999 medical graduates were practising in Atlantic Canada in 2001; 51 per cent were in NL
  (Canadian Post-M.D. Education Registry, 2001-02)
- 46 per cent of our 1998 medical graduates were practising in Atlantic Canada in 2000; 39 per cent in NL
  (Canadian Post-M.D. Education Registry 2001-01)
- 74 per cent of our 2000 Bachelor of Nursing graduates retained their license in the Province in 2001
  (Association of Registered Nurses of Newfoundland and Labrador)

Retaining our Graduates - Continuing with our commitment to encourage graduating health professionals to remain in the province, the Department offered a number of bursaries. Under the Family Practice Incentive Program, Medical Residents Program, and Psychiatric Bursary Incentive, 36 bursaries were awarded to graduating physicians and those in training. For occupational therapy, physiotherapy and other related fields, 37 bursaries were awarded. Bursaries were provided to 154 graduating nurses as a recruitment incentive. Almost all nursing graduates from our provincial schools of nursing took advantage of this incentive. This year also marked the beginning of a new partnership between the Department of Health and Community Services, the Newfoundland and Labrador Health Boards Association, and the Faculty of Medicine at Memorial University, to establish the Provincial Physician Recruitment Office at Memorial. Physician graduates and those in training at Memorial will be kept informed of practice opportunities, and the health boards will have a point of contact to determine which physicians are interested in practising in the province. The ultimate goal is retaining as many graduates as possible.

Sustainability of the Workforce - Ensuring a stable workforce in the health and community services system is important to the availability of services and programs to the public. In 2001-02 the Department invested an additional $10 million for commitments under the physician memorandum of understanding, on call payments for physicians, and resources to recruit salaried physicians to fill vacancies. Reclassification of several health care provider groups occurred in 2000 including registered nurses, licensed practical nurses, diagnostic groups, occupational therapists, social workers and other allied health professionals. These increases cost approximately $12 million in 2001-02 in addition to funding provided in 2000-01, and will become part of the annual base budget. Such measures have been a strong force in making Newfoundland and Labrador a competitive employer in the Atlantic region. In responding to the concerns of home support workers, a 20 per cent wage increases began in June 2001. Funding of $5 million was allocated in 2001-02 to help stabilize the workforce of approximately 6,000 home support workers and enhance the Home Support Program overall, which provides services to 2,900 seniors and adults with developmental and physical disabilities, as well as almost 2,500 children and youth.

Health Information Technology - With the support of the Canadian Health Infostructure Partnership Program (CHIPP) and in cooperation with the other Atlantic provinces through the Health Infostructure Atlantic, Government continued its development of a Picture Archiving and Communications System (PACS) investing $4 million in 2001-02 in a number of health boards. This technology allows x-rays and Magnetic Resonance Imagining (MRI) scans to be stored and distributed on computer networks. The ability to move images electronically is a significant benefit, especially for residents in remote and rural areas. With CHIPP support, PACS is being implemented in four institutional boards. Information technology improvements have also continued to support children's programs. Technology to support the sharing of information between departments for case management for the Model for the Coordination of Services to Children and Youth was enhanced with over $400,000 allocated in 2001-02. Improvements to information technology infostructure were also made possible in the four health and community services boards and two integrated boards. This funding allowed the health boards to better integrate and coordinate the delivery of community based social programs. The Newfoundland and Labrador Centre for Health Information has begun work on the Unique Personal Identifier/Client Registry Program. A network has been established that connects all regional health board networks as well as the Client Referral and Management System and Medical Care Plan.

Sustainability and Accountibility

Although the Province has significantly increased the budget for health and community services over the last several years, funding pressures continue to exist. Increasing compensation costs for health care professionals, rising drug costs and advances in medical treatment and technologies, along with the impact of an aging population are all contributing factors. The financial challenge for the Department and the citizens it serves will continue for the foreseeable future as all provinces move toward building a sustainable health care system.

Health Forums - As part of the planning process for the development of a system-wide strategic health plan, the Minister of Health and Community Services hosted a series of Regional Health Forums in October 2001 and a Provincial Health Forum in November 2001. The purpose of the Forums was to engage health system stakeholders in an analysis of major health issues, including health services structure, funding, and delivery models. The issues were highlighted in a comprehensive discussion document entitled Reaching Consensus and Planning Ahead. Feedback from all sources was compiled in a document entitled Reaching Consensus and Planning Ahead, Health Forums 2001, Summary of Public Feedback. This report will be the basis for the development of the strategic health plan to be completed in 2002-03.

Health Forums 2001

- 500 health stakeholders participated in the Forums
- 300 people and organizations provided written or oral submissions

Regional Profiles - When the Health Forums were launched, six health and community services regional profiles and a provincial profile were developed using the determinants of health to illustrate the level of health and well-being in each area. These profiles were developed as a planning tool for health system renewal. The profiles contain valuable information on a broad range of health and well-being indicators at the regional level, in areas such as healthy child development, income and social status, and personal health practices and coping skills, as well as information on uses of the health system.

Did you know?

- When asked about our general health, the people of this Province report themselves to be in very good or excellent health (66 per cent); a rate higher than that for Canadians overall (61 per cent).
- Newfoundlanders and Labradorians reported themselves to be satisfied with overall health services received in the past year at a higher rate (88 per cent) than did the overall Canadian population (85 per cent).

(Canadian Community Health Survey 2000-01)

Health Indicators - In September 2000, the Prime Minister and Premiers agreed to report to Canadians for the first time on health status, health outcomes, and the quality of health services offered in this country using a comparable set of indicators. This year marked extensive work by the Department, the Newfoundland and Labrador Centre for Health Information, and other partners such as Memorial University and the health boards in the collection, analysis, and interpretation of data on these health indicators. This activity will help lay the foundation for much of the work which will follow on the development of the strategic health plan.

Facilities and Equipment - In May 2001 the move to the new Janeway Child Health and Rehabilitation Centre was completed. This marked the beginning of a new era in child health in the Province. Significant investments were also made in the redevelopment of the James Paton Hospital in Gander, in the construction of the new Sir Thomas Roddick Hospital in Stephenville, in the design work for the new Grand Bank Health Centre, and in plans for the construction of the Fogo Island Health Centre. The new facility at Old Perlican was opened in June 2001 and the Bonne Bay Health Centre was also completed and opened to the public later that year. INCO donated $3 million in 2001-02 toward its $15 million contribution to the Labrador Health Centre. Several other renovation projects also occurred through various health boards in the province for a total investment in facilities in 2001-02 of over $34 million. An additional $32.4 million was invested in equipment including CT scanners, mammography units, other therapeutic equipment required in hospitals and resident care needs in nursing homes.

Health Care Fundraising - Government committed to investing up to $30 million in partnership with health boards in fundraising initiatives throughout the province. Such fundraising is an important way to help meet the need for modern medical equipment and technology that is essential to the delivery of health care. The largest investment of up to $20 million was in support of the *Give to Feel Good Campaign* under an unprecedented two to one fundraising gift matching program. A remaining $10 million will be

available to all health boards under a one to one fundraising gift matching program. By the end of 2001-02, Government contributed $17 million toward this investment.

Regional Health Board Budget Deficits - The Department provided, in fiscal 2001-02, an additional $50 million in base funding to stabilize the budgets for institutional health boards. These boards had experienced a deficit of $46 million in the previous fiscal year. Despite this investment, by mid year these boards were projecting an $18 million deficit by year end. The Department called on health boards to work with unions and staff to address these growing deficit projections. Through the commitment of board members, management and staff, the operating deficits were reduced to a balanced position on a net basis by year end.

Health and community services boards were also facing deficits largely due to increasing home support costs. An additional $13 million was added to their base budgets in 2001-02. The actual operating deficit for these boards in fiscal 2001-02 was $1.5 million as compared to $9.4 million in the previous fiscal year.

The health boards accumulated operating deficit for Government reporting purposes was approximately $100 million as of March 31, 2002. The Department continues to work with all health boards to address fiscal challenges in the health and community services system.

Federal Health Care Commission - The *Commission on the Future of Health Care In Canada* was announced by the Federal Government in 2001. Its role was to explore the principles and values which underlie the health system in Canada, and propose new approaches for long-term sustainability of health care in this country. Roy Romanow was appointed Commissioner. As part of its cross country consultations, the Minister of Health and Community Services presented to the Commission on behalf of Government when the Commission visited the province.

Regionalization Initiative - As part of Government's Regionalization Initiative, the Claiming Services Section of Medical Care Plan (MCP) and a portion of the Public Services and Administration section were transferred to Grand Falls-Windsor. Auditing services and a portion of the public services remained in St. John's. Staff were hired and engaged in an extensive training program and the office was opened in July 2001.

MCP 2001-02

- 4.2 million MCP claims were processed
- 13.4 per cent of the total health expenditure was on MCP services

Over the past year, as outlined in this report, the Department has made significant progress with many of its initiatives. Throughout the course of this work, the department had to confront challenges while building on opportunities.

Challenges

Primarily, the key challenges faced by the Department are those affecting the entire health system in Newfoundland and Labrador, and fall into three broad categories: health status, demographic change, and the quality, accessibility, and sustainability of health services.

Health Status: While citizens report in surveys that they feel generally healthy, Newfoundland and Labrador has among the highest rates of heart disease, cancer, and diabetes. Residents of the province also rank high on the risk factors of smoking, obesity, alcohol consumption, and inactivity which are strongly linked to many chronic diseases. Government recognizes that lessening the occurrence and preventing the onset of certain diseases along with managing disease in an effective manner will bring significant benefits to the people of the Province.

Demographic Change: Changes in population size and structure have a direct impact on the health and community services system. The population of Newfoundland and Labrador is declining, showing the largest percentage decline of any province in Canada. Urban areas are becoming more populated while rural regions are seeing population decreases. In addition, the average age of the population is increasing, and more and more young people are leaving the province to live and work elsewhere. These factors are creating greater costs for the province's health care system, and also require new ways of organizing the system to ensure that services are reflective of the needs of the population.

Quality, Accessibility, and Sustainability of Health Services: The issues of quality and accessible health services exist in the areas of primary health care, location of services, organizational boundaries, long-term care and supportive services, and mental health services. Improvements in these areas will enhance the quality and accessibility of health services in this province.

The system is also facing increased costs during a time of fiscal restraint. Higher costs will continue to occur with new technologies, pharmaceuticals, and the aging of the population. These pressures will challenge Government's ability to sustain the system unless continued efficiencies and new models of service delivery can be achieved.

Opportunities

One of the greatest opportunities for the Department is the work and input gained from *Health Forums 2001*, the most extensive consultation process on health issues in the Province's history.

Health Forums 2001 and Developing A Strategic Health Plan: The feedback and momentum gained through *Health Forums 2001* presents a unique opportunity to the Department and one which will help to address the challenges. Through the health forums, hundreds of people and groups provided ideas and recommendations regarding the health and community services system. The overriding theme which emerged is that the system needs to be re-designed to better meet the needs of today's population, and the Department has heard that message. Newfoundland and Labrador's health and community services system is based on a solid foundation. However, the system was designed for a population of 20 to 30 years ago, and change is needed. Developing a plan to renew and refocus the Province's health and community services system will encompass most of the department's work in the coming year.

Below is the summary of the Statement of Expenditure and Related Revenue of the Department. Please refer to Volume III of the Public Accounts, previously tabled at the House of Assembly, for detailed financial information.

			Estimates ($)	
		Actual ($)	Amended	Original
Minister's Office (1.1.01)	Total	399,003	442,500	380,100
General Administration (1.2.01 to 1.2.06)				
	Total gross	16,119,968	17,066,000	15,401,300
	Less revenue - federal	(244,278)	(205,300)	(205,300)
	Less revenue - provincial	(337,787)	(273,700)	(273,700)
	Total net	15,537,403	16,587,000	14,922,300
Memorial University Faculty of Medicine (2.1.01)	Total	19,667,000	19,667,000	18,709,500
Drug Subsidization (2.2.01 to 2.2.03)	Total	80,389,634	80,399,900	73,016,200
Medical Care Plan (2.3.01 to 2.3.03)				
	Total gross	198,171,483	200,164,900	205,466,600
	Less revenue - provincial	(911,983)	(2,120,000)	(2,120,000)
	Total net	197,259,500	198,044,900	203,346,600
Emergency and Transportation Services (2.4.01)	Total gross	9,641,878	9,733,000	9,708,000
	Less revenue - provincial	(181,940)	(70,000)	(70,000)
	Total net	9,459,938	9,663,000	9,638,000

Community Services (3.1.01 to 3.1.02)				
	Total gross	222,881,457	223,498,600	214,020,600
	Less revenue - federal	(8,586,009)	(4,486,800)	(4,486,800)
	Less revenue - provincial	(1,068,128)	(660,000)	(660,000)
	Total net	213,227,320	218,351,800	208,873,800
Health Facilities and Related Services				
(3.2.01 to 3.2.02)	Total gross	863,020,574	869,092,900	841,895,300
	Less revenue - federal	(5,924,674)	(5,886,600)	(5,886,600)
	Less revenue - provincial	(10,453,023)	(9,700,000)	(9,700,000)
	Total net	846,642,877	853,506,300	826,308,700
Health Care Facilities and Equipment				
(3.3.01 to 3.3.02)	Total gross	68,353,009	69,965,200	49,538,200
	Less revenue - provincial	(3,000,000)	(3,000,000)	(3,000,000)
	Total net	65,353,009	66,965,200	46,538,200
Total Department				
	Total gross	1,478,644,006	1,490,030,000	1,428,135,800
	Less revenue - federal	(14,755,461)	(10,578,700)	(10,578,700)
	Less revenue - provincial	(15,952,861)	(15,823,700)	(15,823,700)
	Total net	1,447,935,684	1,463,627,600	1,401,733,400

GOVERNMENT OF
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